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ABSTRACT

Title III, the Strengthening Institutions Program, is one of the most important federal programs for rural community colleges. Created by the Higher Education Act of 1965, Title III provides institutional aid to qualified colleges and universities that serve large numbers of first-generation, low-income students and students from groups historically underrepresented in higher education. Title III is particularly valuable for rural community colleges because it allows colleges to address locally defined needs; requires an intensive self-study to identify institutional weaknesses; provides up to $350,000 per year for 5 years; is available only to institutions that serve large number of low-income students; can be used to develop new programs and services; and is especially useful for technology and telecommunications upgrades. Appropriations to Title III have declined from a decade ago. Policymakers are urged to expand Title III appropriations to double the number of institutional grants, increase the maximum grant to $600,000 per year, restore the endowment challenge grant program, expand cooperative grants, and commission a national study of the impact of Title III and the important unmet needs of community colleges. As background to the case for expanding Title III, this report includes a brief history of Title III and its shift from funding historically Black colleges to assisting all community colleges; describes endowment challenge grants; discusses the rural digital divide; and presents examples of Title III's impact at Ashland Community College (Kentucky) and Southwest Texas Junior College. (TD)

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Title III

A Critically Important Federal Initiative Supporting Rural Community Colleges

by Stephen G. Katsinas and Ronald D. Opp

Summary

The Strengthening Institutions Program is one of the most important federal programs for rural community colleges. Created by the Higher Education Act of 1965, Title III provides institutional aid to qualified colleges and universities that serve large numbers of first-generation, low-income students and students from groups historically underrepresented in higher education.

Title III is particularly valuable for rural community colleges because:

- Title III is an unusually flexible grant program that addresses locally defined needs, a particular benefit to community colleges serving low-income rural areas.
- Title III is the only source of substantial funding that requires an intensive self-study to identify institutional weaknesses.
- Title III provides a substantial boost to the budget of a small college — up to $350,000 per year for five years.
- At many rural community colleges, 60 to 80 percent of full-time students receive Pell Grants. Under Title III, only institutions that serve large numbers of low-income students are eligible to participate.
- Title III builds institutional capacity, enabling colleges to develop new and improved programs and services that can be sustained long term through other funding streams.
- Title III helps rural colleges address critical needs not met adequately by their core state funding — including technology upgrades, staff development, and student services.
- With rural areas lagging behind in telecommunications infrastructure and digital literacy, Title III grants help rural community colleges close the digital divide.

Congress has recognized the importance of Title III, increasing IIIA appropriations from $60.3 million in FY1999 to $73 million in FY2001. However, in real dollars recent appropriations are significantly less than a decade ago. Adjusting for inflation, the IIIA appropriation in FY87 was $117 million. The decline in funding has meant fewer grants at reduced amounts. The maximum annual grant was reduced from $500,000 in the late 1980s to $350,000 at present, and an important component of Title III, Endowment Challenge Grants, has been eliminated.

In the view of the authors, expanded support for Title III is justified.

We urge the Department of Education to commission a national study of the impact of Title III to examine the important unmet needs at community colleges that could be aided through an increase in Title III funding. Congress should double the number of grants and increase the maximum annual grant to $600,000 to partially restore it in real dollars to the level in the late 1980s. Congress also should raise the maximum grant under Title V (Hispanic-Serving Institutions) to $600,000, and it should restore the Endowment Challenge Grant program.

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How Title III Works

Grantees

Title III grants are targeted to the neediest colleges and those serving the neediest populations. To be eligible for Title III funding, an institution must have at least 50 percent of its degree students receiving need-based assistance under Title IV of the Higher Education Act (student financial aid provisions) or have a substantial proportion of students receiving Pell Grants.

Title III grants are extremely competitive. In Fiscal Year 1999, Congress appropriated $60.3 million under Part A of Title III, supporting 56 new development grants and 14 new planning grants. A total of 262 colleges applied for the 56 development grants, making Title III among the most competitive of all federal categorical grant programs for education. In the last round of competition, the score required for funding was 97.9 out of 100 points, an almost impossible figure given the vagaries of reader reactions to any given proposal. Losing a mere two points over an entire document leaves many worthy applications without funding.

Program activities

Title III maximizes local control, encouraging institutional creativity and entrepreneurism. The program is extremely flexible — the only prohibited activities are facilities acquisition and building renovation. It allows colleges to tailor innovative programs to meet the needs of their service areas, which for rural institutions vary tremendously in population density and geographic terrain, as well as economic, social, and cultural characteristics. In Title III, the Congress wisely said "these pots of money exist to help institutions better serve large numbers of needy students by helping *them* solve problems that *they* identify."

Over the past two decades, Title III grants have often been used for learning labs (tutoring and computer-based instruction for students who need extra academic support), student services, and technology. Today, Title III is particularly valuable in improving technology at small and rural colleges. It enables colleges to create or upgrade computer networks; provide computers and Internet access to faculty, staff, and students; wire libraries; improve enrollment and record-keeping systems; and train faculty and staff to use new technology. In 1997, a national survey found that more than 300,000 students had gained access to computers through Title III programs.

Institutional capacity-building

Title III places strong emphasis on planning, and the institutional plans developed under Title III do not just sit on a shelf. Title III requires colleges to demonstrate how each funded activity is tied to long-range plans for institutional development. Each funded program has performance indicators, activity milestones, and time frames for accomplishment of specific objectives.

The Title III grant is embedded into the life of a college by requiring that the institution's Title III Coordinator report directly to the president and sit on the college's executive committee. For rural community colleges, where top officials wear many administrative hats, this requirement ensures that Title III activities are integrated into all aspects of college life.

The five-year grant cycle enables colleges to institutionalize the programs and services started with Title III funding. Colleges in effect "bet" that the new programs will become self-supporting. This occurs as increased enrollment brings in new revenue, and as new technology and infrastructure improve the college's efficiency and save money. Five years gives enough time for new programs to achieve sustainability, and the level of annual funding provided by Title III is large enough to make significant improvements in institutional capacity. Most federal grant programs allocate much smaller levels of funds per institution and for only two or three years instead of five.

When visiting rural community colleges — and the authors have visited well over 300 community colleges between them — it takes no more than five minutes on a campus to spot those institutions that have had recent Title III funding. College presidents, vice presidents, deans, and faculty like to show off their latest program successes, and they quickly lead visitors to the Title III-funded computers and other support services.

A Brief History of Title III

From historically black colleges to all community colleges

Title III was created by Congress in 1965 to help historically black colleges and universities (HBCUs), located mainly in the southern states, overcome decades of neglect by their state governments. At that time, many HBCUs had programs, services, and facilities that failed to meet accreditation standards due to state neglect in the pre-Civil Rights era. Since the 1960s, Title III has expanded its grant programs well beyond HBCUs, but it has retained a commitment to the twin purposes of promoting equity and helping institutions attain self-sufficiency.

The HBCUs considered Title III "their" program, and have fought vigorously over the years to defend and expand it in Washington. Funds allocated to Part B of Title III can go only to institutions designated by the Secretary of Education as Historically Black Colleges and Universities. During the Reagan Administration, when federal student aid programs were proposed for elimination, federal funding for Title III for HBCUs was actually expanded.

Initially community colleges were not eligible to participate in Title III. Then federal officials recognized that twice as many African-American students attended community colleges as HBCUs. Following lobbying efforts by community colleges over a period of years, led in part by members of the American Association of Community Colleges' Black Affairs Council, participation in Title III was broadened to include community colleges. In the 1980 and 1986 Higher Education Act (HEA) reauthorizations, set-asides for community colleges were created within Title III. In the 1986 reauthorization, 75 percent of Part A funds were designated for community colleges, while Part B continued to be designated solely for HBCUs. Later, in the 1992 HEA reauthorization, Hispanic groups successfully lobbied for a set-aside within Part A, and in the 1998 reauthorization, Title V was added to fund Hispanic-Serving Institutions. Set-aside appropriations for Tribal and Alaskan/Hawaiian colleges were added in the 1998 reauthorization.

Endowment challenge grants

As Congress came to better understand the problems these institutions face, it established an Endowment Challenge Grant Program under Title III, Part C, as part of the 1980 Higher Education Act reauthorization. Under this program, endowment funds raised by colleges were matched by funding from the federal government, with the provision that only the interest could be spent over the next 20 years. By prohibiting institutions from spending the principal until the end of the 20-year period, the federal government assisted these endowment-poor colleges in achieving long-term fiscal stability.

From 1980 until 1995, this program brought approximately $300 million in endowment funds to colleges in combined federal and local contributions. Between 1995 and 1998, however, Congress appropriated no new funding for Part C. As part of the 1998 Higher Education Act reauthorization, provisions were made to allow Title III grantees to use up to 20 percent of their grant for endowment purposes, provided they raised an 80 percent local match (in other words, for every four dollars raised locally, the federal government would match it with one).

Endowment Challenge Grants have been extremely beneficial to

Table 1: **Funding for Titles III and V and Number of Grants, 1999-2001**

Program	Funding (in millions of dollars) *Number of grants** Fiscal Year 1999	Fiscal Year 2000	Fiscal Year 2001
Part A - Strengthening Institutions Program (1965), expanded in 1980 to include community colleges	$60.3 *179*	$63 *190*	$73 *225*
Part B - Strengthening Historically Black Colleges and Universities (1965)	$136 *98*	$148.8 *99*	$185 *99*
Strengthening Historically Black Graduate Institutions	$30 *18*	$31.0 *18*	$45 *18*
Part D - Strengthening Tribally Controlled Colleges (1998)	$3 *8*	$6 *17*	$15 *31*
Part F - Strengthening Alaska Native and Native Hawaiian-Serving Institutions (1998)	$3 *9*	$5 *16*	$6 *18*
Part G - Minority Science and Engineering Improvement	$7.5 *84*	$7.5 *89*	$8.5 *92*
Title V - Developing Hispanic-Serving Institutions	$28 *39*	$42.3 *69*	$68.5 *44*

** "Number of grants" includes new and continuing grants, both planning and development grants.*

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community colleges generally and to rural community colleges specifically, which typically do not have sizeable endowments. The lack of unrestricted funds and "seed capital" makes it difficult for rural community colleges to initiate new academic programs and other entrepreneurial ventures. An endowment can help fill this gap. In 1978, only 546 community colleges had direct-support foundations; by 1986 that number had increased to 730. Today, nearly all community colleges have direct-support foundations. However, raising money locally remains difficult for community colleges, especially in low-income rural regions. The opportunity for a federal match has helped rural colleges generate excitement in their communities and build a base of local donors.

The Importance of Title III for Rural Community Colleges

Rural community colleges across the nation, like their urban counterparts, serve large numbers of low-income students and students of color, most of whom are the first in their families to attend college. As noted above, this was the reason for expanding Title III from HBCUs to include community colleges and for adding set-asides for Hispanic-Serving Institutions and Tribally Controlled Colleges.[1] But why is this program so vital within the rural context?

First, it helps small and rural colleges overcome two interrelated financing problems that make it difficult to initiate new programs and services — a small budget base and heavy dependence on state funding. Second, it helps them bridge the digital divide for their students, communities, and for the colleges themselves. Third, it provides much-needed resources for professional development.

The special importance of Title III to rural colleges is reflected in the high share of Title III funds that they receive. Of all Title IIIA and Title V money awarded to two-year colleges in FY99, 42 percent went to rural community colleges.

Table 2: **Title IIIA and Title V Grants to Two-Year Colleges, FY99**

(includes both planning and program grants, new and continuing grants)

Type of college	Number of grants	Millions of dollars	Percent of total $
Public community colleges			
Rural	83	$27.3	42%
Suburban	32	$10.7	17%
Urban	49	$16.3	25%
Private two-year colleges	7	$1.9	3%
Federally chartered and special-use institutions	20	$8.1	13%
Total	191	$64.3	100%

Note: Total number of grants and dollars shown here do not match the numbers for FY99 shown in Table 1 because Table 2 includes only Title IIIA and Title V grants to two-year colleges. Table 1 also includes Title V grants to four-year colleges, Title IIID grants to tribal colleges, and IIIF grants to Native Alaska/Hawaiian-Serving Institutions.

Overcoming financing disadvantages

Of the nation's 731 publicly controlled rural community colleges, roughly a third have enrollments of under 1,000; a third have enrollments between 1,000 and 2,500 students, and a third have enrollments above 2,500 students. The annual budget for a small rural community college typically is between $4.5 and $6 million, while medium-sized college budgets average $9 million annually and large rural community colleges have budgets of $12 to $20 million. In contrast, a multi-campus urban community college district budget may exceed $200 million. A Title IIIA grant of $350,000 per year provides a substantial boost to the operating budget of a rural community college. At Ashland (Kentucky) Community College, for example, the total institutional budget for FY99 was $18 million; Title III provided $340,000 or 5.3 percent of the annual budget. At a large urban institution, a half-million-dollar grant represents a much smaller proportion of the total institutional operating budget. The smaller budget base of rural community colleges underscores the critical importance of Title III as a tool for broad-based institutional advancement, to augment capacity for educational access and economic development at these types of colleges.

Besides having smaller budgets, rural community colleges have a different mix of revenue streams than larger, urban or suburban institutions. They depend more heavily upon state funding and consequently have less internal "venture capital" (or discretionary funds) to support the development of new programs and initiatives.

[1] *This paper primarily examines funding for Title III, but it is important to note that a number of rural community colleges in the American Southwest, Rocky Mountain states, and Mexican Border region qualify as Title V Hispanic-Serving Institutions. Programmatically, the Title V provisions are administered in a manner very similar to the programs funded by Title III, and the arguments for support apply equally to both.*

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How real is the digital divide in rural America?

Dr. Angeline Dvorak, President of Ashland Community College, said, "It is a cliff-like gap. The road out of poverty is laid now with fiber-optic cable. I have three exceptionally rural counties in my college's service area, and 37 percent of the students we serve from one of these counties do not even have telephone service. It's very significant."

State funding accounts for 44 percent of the total revenue for small rural community colleges, 42 percent for medium-sized rurals, and 37 percent for large rural community colleges, in contrast to 36 percent for all community colleges. Rural colleges get less local funding than urban or suburban institutions because of the low property tax base in their districts. The hard reality is that in many rural areas, the assessed property values are so low that even a high tax rate generates little revenue. This is true for rural community colleges from the woods of northern Maine to the Mississippi Delta, Appalachia, the Northern Plains, the Mexican Border region, and the Southwest.

At larger colleges, local funding and auxiliary funds (income from vending, food operations, etc.) provide sources of flexible money for innovation. In rural colleges, a lack of "venture capital" impedes their ability to respond to educational access needs in their communities and economic development opportunities. State policymakers want community colleges to be active in promoting a world-class workforce, yet rural institutions are hamstrung by their small budget bases. To initiate a new workforce development program (especially an expensive, high-tech program), a college needs to spend money a year or more before enrollment in the program will generate state reimbursement. Rural, small colleges are hard-pressed to do this. Title III grants, because of their flexibility, in effect provide the venture capital small colleges need to initiate new programs. In addition, the endowment support spurred by Title III helps expand the base of unrestricted funds available to these colleges.

Bridging the digital divide

In recent years, Title III has taken on new importance for rural colleges in helping them bridge the digital divide. Computer skills and Internet access are becoming essential for people and communities to prosper. The four fastest-growing occupations nationally are in information technology — computer scientists, computer engineers, systems analysts, and computer programmers. Even blue collar, retail, and service jobs increasingly require computer skills. People who lack digital literacy are becoming locked out of job opportunities, and communities with poor digital access and a poorly prepared workforce are locked out of economic development opportunities.

These trends threaten rural communities on several counts:

- Computers are less prevalent in rural than urban households.
- Internet access is expensive in many rural areas.
- Computer use rises with educational attainment, and many rural regions have low educational attainment.
- Computer usage is lower for African Americans and Hispanics than for whites, and rural areas in the South and Southwest have large African-American and Hispanic populations.

Rural community colleges (along with K-12 schools) are key points of access for their communities to computers, training in computer skills, and Internet access. Technology is expensive, however, and once installed it needs regular upgrading and servicing. Furthermore, college faculty and staff need training in how to use the new technology, whether it is a new distance learning system or a new management information system for the college.

Title III grants enable rural colleges to make major investments in learning technology — in hardware, software, and staff development. This improves teaching and administration. It enables the college to provide workforce training in information technology skills. It brings computer and Internet access to students, and often to the community as well.

Professional and staff development

The geographic isolation and relatively unstable financial base of rural community colleges makes funding professional and staff development challenging. The act of getting to an airport, much less to an airport hub, can take a day's drive, and flights are more expensive the farther out on the hub-spoke airline system, necessitating expensive extra night layovers on routine trips. It is also harder and more expensive to bring professional development programs and services to rural community colleges. This was a major justification for the creation of the Education Professions Development Act provisions within the original Title III program in the 1960s,

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to provide HBCUs and community colleges with professionally trained staff in a decade when a new community college campus opened at the rate of one per week. Now, thirty years later, with the impending wave of retirements, Title III plays a critically important role in assisting community colleges generally and rural community colleges in particular with funding for professional development. This is more important than ever, as accreditation standards require higher degrees, and changing technology requires frequent retraining of faculty and staff.

Two Examples of Title III's Impact

Ashland Community College

Ashland Community College (ACC) serves a five-county area in northeastern Kentucky, at the intersection of Kentucky, Ohio, and West Virginia. Established in 1938 as one of the first community colleges in the state, ACC currently has more than 2,400 students enrolled in its programs. The college's service area has approximately 200,000 people, a population with very low rates of adult educational attainment: Less than 10 percent of adults have a college degree, and only 55 percent have graduated from high school. Most of ACC's students are the first generation of their family to attend college. The economy in northeastern Kentucky has seen severe realignments, such as the downsizing or departure of large petrochemical and steel manufacturers. The college has an $18 million annual budget, of which roughly $12 million comes from the state.

Ashland Community College uses its Title III grant for two activities: upgrading its technology and multimedia instructional capabilities and improving student retention. Of the total Title III budget of $1.72 million over 5 years, 46 percent is allocated to technology improvements, 39 percent to student retention, and 15 percent to project administration. Retention activities include hiring a Student Success Coordinator to do early intervention with at-risk students, teach an "Introduction to College" course, and improve the college's system for tracking student retention.

Prior to receiving Title III funding, ACC had two large computer labs which were not networked and had insufficient memory to use the latest software. Title III funded the memory upgrades and new interactive learning software. It equipped four new computer labs for science, math, reading, and writing classes, and it funded a new Instructional Technology/Multimedia Specialist position. In 1999-2000, 250 students per day used the various labs.

All too often, states fund new equipment on a one-time "add-on" basis, with insufficient funds for staff development; similarly, states often underwrite hardware purchases without covering the needed software and networking capacities. Title III has helped ACC address these deficiencies.

According to Dr. Angeline Dvorak, the college president, Title III at Ashland Community College has had "tremendous impact. And it's not just short-term extras. Title III funds have strategically impacted our ability to build infrastructures. Technology made available to our faculty, students, and community through Title III has been integrated into our classrooms, credit, and noncredit programs. Our grant has helped us to connect and gain greater efficiencies with what our K-12 schools have invested in technology. On a voluntary basis, we now offer a competency examination to 10th graders to assess whether or not students are 'college ready,' paid for by our student success activity in Title III. My philosophy is that Title III-funded programs should live long past the five-year funding cycle, if we are to effect fundamental change. The key in making that happen is the building of a framework to fully integrate the Title III-funded activities into the heart of the institution."

The excitement created by the new programs at the College has had important residual benefits to ACC. President Dvorak recounted a recent experience with a local donor who had previously made major gifts to Vanderbilt University: "When I articulated what his dollars would buy at Ashland, he was flabbergasted — the numbers of lives we touch. The relationship of his potential gift to making a difference on our total operating budget is clear, significant, and direct. This is yet another way in which Title III builds capacity."

Southwest Texas Junior College

Located in the heart of the Rio Grande Valley along the Mexican border, Southwest Texas Junior College (SWTJC) serves an 11-county service area of some 16,812 square miles, larger than Connecticut, Delaware, and Rhode Island combined. The college operates its main campus in Uvalde and two branch

campuses, 60 and 85 miles away in Del Rio and Eagle Pass. No additional state funds are provided to administer these branch campuses. The total college budget is roughly $22 million.

The region served by SWTJC is characterized by high poverty, high illiteracy, low educational attainment, high unemployment, and an uneven distribution of wealth. The median educational attainment for adults is only 9.6 years, and for Hispanic adults, 6.4 years. The region's high school dropout rate is exceptionally high, as many youth seek full-time jobs to supplement their family's income. The region has a large migrant farmworker population and a steady influx of immigrants from across the Mexican border. SWTJC has an enrollment of 3,500 students, of whom 75 percent are Hispanic. The majority are first-generation college students, and most receive Pell Grants.

SWTJC's Title III grant supports three major activities. First, it has enabled the college to create a distance-learning network to provide greater access to students in outlying areas. The network began by connecting SWTJC's three campuses with interactive video classrooms; it quickly expanded to provide both Internet access and interactive video classes to 22 area school districts. By the spring of 2000, more than 40 classes were being delivered via distance learning to SWTJC's branch campuses and area high schools. The system also makes university courses available on the community college campuses and at high schools.

Besides providing equipment for the distance-learning network, Title III has enabled the college to train faculty and staff to use the new technology. President Ismael Sosa said: "Staff development was a particularly important emphasis of our Title III grant activity. We have, by and large, an older faculty of veteran teachers. They are highly committed to serving our students but needed to improve their skills with the new instructional technologies. With our Title III grant, we were able to start staff training initially with three faculty members last year, and by the end of the fall, twelve. The equipment just does not do any good if our people do not know how to use it. It's helped us recruit and further extend the reach of our college."

The second goal of SWTJC's Title III grant was to improve information and communication within and among its three campuses, to strengthen academic capacity and management of the college. Prior to Title III, no e-mail or other network services were available to the faculty, staff, or students. Today, all faculty, staff, and students have Internet access. The college has a new data management system, including a phone system with voice mail features that links faculty and administrative offices on all three campuses.

President Sosa said, "We have been very concerned about bridging the digital divide here in the Valley. In the next five years, our goal is to grow dramatically in terms of numbers of students served via distance learning and the Internet, and in the networking we do with other community agencies and area councils of government. We look to continue to provide Internet access to our students. Our goal is to level the playing field so our rural area can compete globally."

The third goal under the Title III grant was to improve the college's fiscal stability by developing non-state revenue sources. To meet this goal, SWTJC hired a full-time grant writer in 1996 who has brought in more than 30 grants totaling $4.5 million. This has made a tremendous difference for a college serving one of the poorest areas of the United States.

The Case for Expanding Title III

Rural community colleges are the most important adult education institutions in the regions they serve. They are the hubs for the training of small manufacturing enterprises so central to rural economic development. They are the centers of cultural activities in their communities. And increasingly, they are the centers for regional Internet and advanced telecommunications, linking K-12 schools to institutions of higher education in their regions. They also provide staff development to K-12 teachers in their regions.

Today, Title III is particularly important in helping rural community colleges bridge the digital divide. President Angeline Dvorak of Ashland Community College summarized Title III's impact nationally when she said: "Title III is the single most important program in our being able to improve the quality of our overall educational programs and delivery systems. Most community colleges do not receive significant dollars that can be funneled into new programs or staff development. All of the new money we've

"This program is small in relation to overall funding for the Higher Education Act, but it is responsible for remarkable advances in institutional capacity throughout the country... Title III [enhances] quality at institutions that have relatively few resources and serve high percentages of financially disadvantaged students — colleges that have positive goals and are on the right road, but badly need additional, temporary financial support... In focusing on disadvantaged students and institutions with limited resources, Title IIIA is an opportunity program."

— Dr. Anne McNutt, President of the Technical College of the Lowcountry, statement on Title IIIA for the 1998 reauthorization of the Higher Education Act.

received in the last three years has gone to faculty salaries. New money for program and staff development is almost nonexistent. And by providing start-up funds for new programs and services, it addresses a *real* problem, particularly in technology areas that continuously need equipment and software upgrades. It is a vital program to rural community colleges."

The message to policymakers

Most of the federal programs that serve disadvantaged students fund those students directly. Title III's orientation is different — it provides critical capacity-building assistance to help institutions better serve disadvantaged students. Given the national imperative to make postsecondary education more widely accessible and the institutional development needs of community colleges that serve low-income students, Title III deserves additional support. That support should come in the form of the following:

1. ***Expand Title III appropriations to double the number of institutional grants.*** Title IIIA is an extremely competitive grant program, with only one grant awarded for every five qualifying institutions that apply. It is invaluable in helping colleges that serve low-income students maintain currency in instructional technology, which in turn helps bridge the digital divide in both rural areas and inner cities. The more community colleges that receive Title III support, the more disadvantaged students will have access to digital technology and academic support services.
2. ***Increase the maximum Title III grant to $600,000 per year.*** The 1986 HEA reauthorization set the maximum annual grant at $500,000. In today's dollars, that is equivalent to $802,000. Thus, raising the maximum from its current $350,000 to $600,000 would partially restore the grant level to what it was in the late 1980s.
3. ***Restore the Title III Endowment Challenge Grant Program.*** This program assisted both community colleges and HBCUs in building endowments and therefore broadening the base of institutional funding. This program required responsible institutional stewardship of funds, and it should be restored.
4. ***Expand Title III Cooperative Grants.*** In addition to the regular Title III program, Title III includes provisions for cooperative grants among Title III-eligible institutions. These programs are vital for rural community colleges to cooperate with universities to assist in faculty and staff development, as many of their founding leaders retire after 30-35 years on the job.
5. ***Commission a national study of Title III.*** A national study of Title III is needed to perform a comprehensive review of the program, its mission and functions. This study should be done not by a "think tank" but by people at community colleges who are intimately involved with Title III, including representatives of the Council for Resource Development, the professional organization of community college development officers who work most closely with Title III.

The Rural Community College Initiative is a national demonstration that helps community colleges in economically distressed regions move their people and communities toward prosperity. It supports aggressive and creative efforts to increase jobs, income, and access to education in rural communities. The RCCI is a partnership among the 24 participating community colleges, MDC, the American Association of Community Colleges, and the Ford Foundation.

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